

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
SENIOR VICE PRESIDENT &
CHIEF POLICY OFFICER

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October 23, 2017

The Honorable Heidi Heitkamp
United States Senate
Washington, D.C. 20510

Dear Senator Heitkamp:

The U.S. Chamber of Commerce applauds your introduction of S. 1978, the “Small Business and Family Health Tax Relief Act,” which would extend the moratorium on the annual fee on health insurance providers by two years, ensure that consumers benefit from this delay in 2018 and 2019, and make the health insurance fee tax deductible moving forward.

S. 1978 would provide critical and timely relief from the Affordable Care Act’s perverse and harmful tax on health insurance premiums, which would further increase already escalating premiums for tens of millions of Americans. If the health insurance tax (HIT) resumes in 2018, it will harm Americans purchasing many different types of insurance including individuals, families, small businesses, larger companies, and seniors covered with Medicare Advantage as well as seniors with Medicare Part D prescription drug coverage.

In 2018 alone, the HIT will increase premiums for families purchasing coverage in the large group market by more than \$500, according to actuarial analysis performed by experts at Oliver Wyman.

Further, because of the regulations implementing the tax, the amount that must be collected in 2018 through higher premiums is higher than \$14.3 billion attributable to the statutory fees. As a result, the total premium impact of the health insurance tax in 2018 on hard-working Americans and retirees will be as much as \$22 billion.

We look forward to working with you on this necessary legislation to make health insurance more affordable for small businesses and individuals.

Sincerely,

A handwritten signature in blue ink, appearing to read "Neil L. Bradley", with a stylized flourish at the end.

Neil L. Bradley